subject the raiyats in malnad parts to considerable inconvenience as they have necessarily to stock very much larger quantities in view of the prolonged rainy season?

Mr. L. VEMA REDDY.—Are the Government aware that the inconvenience complained of applies to the raiyats all over the State?

Mr. K. VENKATASAMIAH.—If a person cuts down one or two trees in his *hiduvali* land and gets thereby 3 to 4 cart-loads of fuel, is he to throw away the excess over two cart-loads, because the licence permits him to remove only two cart-loads?

Mr. M. VENKATANARANAPPA.—In such cases, the party can get permission from the Amildar.

Mr. H. M. CHANNABASAPPA.—What right have the Government to prevent a person from removing fuel from his own lands?

Mr. M. VENKATANARANAPPA.—That is a question of policy and cannot be raised in connection with supplementary questions. Some such restrictions are necessary with a view to preventing illicit felling.

Mr. H. M. CHANNABASAPPA.—Have not the Government their own special staff for taking care of their forest produce and to prevent illicit felling? If so, why should they impose unnecessary restrictions on the raiyats?

The SECOND MEMBER (Rajamantrapravina N. Madhava Rau).—Yes. We have the ordinary staff. But they can prevent illicit felling only with the aid of these subsidiary rules.

Mr. K. VENKATARAMIAH.—With reference to answer to sub-section (*b*), when will the Government Order in question be issued?

Mr. M. VENKATANARANAPPA.—In about 3 or 4 days.

Mr. K. VENKATARAMIAH.—Will the Government kindly consider the question of permitting at least 3 or 4 cart-loads under free licence considering that two cart-loads will not be sufficient in a good many cases?

Mr. M. VENKATANARANAPPA.—Government will consider the request.

Mr. K. VENKATARAMIAH.—Will the Government also consider the question of permitting hiduvalidars to stock sufficient quantities of fuel in advance of rainy season?

Mr. N. MADHAVA RAU.—It may not be possible to accept that suggestion. Government will however consider it.

Mr. B. P. BASAPPA SETTY.—Is it not a fact that planters are now free to remove any quantity of fuel from their plantations?

Mr. M. VENKATANARANAPPA.—Removal of fuel from plantations is governed by separate orders.

Mr. B. P. BASAPPA SETTY.—If you make this general order applicable to plantations also, will not the planters be put to great inconvenience? The Government are aware that the rainy season in the malnad parts extends over months together so that we have to stock even 50 to 100 carts at a time.

Mr. M. VENKATANARANAPPA.—That may be, but we cannot remove this restriction altogether.

ANOTHER MEMBER.—Even in cases in which an Amildar gives a licence or permit, why should subsequent permission of the Forest Ranger be considered necessary for a person to remove firewood from his holding? Is not the Amildar a sufficiently responsible officer?

Mr. N. MADHAVA RAU.—Government will consider that point once again.

Mr. A. G. MUDDARACHAPPA.—In the case of marriages or other special celebrations, why should not permission be given for hiduvalidars to remove larger quantities of fuel?

Mr. N. MADHAVA RAU.—Marriages are not everyday occurrences in all families. We might work the rules for some time and see whether any further relaxation is necessary.

GENERAL DISCUSSION ON THE BUDGET—*contd.*

Mr. K. MUNIVENKATAPPA referred to the question of scholarships of depressed classes, and said that a lump-sum allotment had been made in the budget under this head. But as very many communities were included under the head "Depressed Classes" some of the communities were going without any benefit from this grant. He therefore

prayed that Government should instruct the departmental officers in each district to see how far the several communities included under the head " Depressed Classes " were really deriving the benefit of the grant. He also represented that under the present system, scholarships to depressed class students were being given only after application was actually made by the boys of each community. If the purpose of the grant should be fully achieved, he suggested that the officers themselves should take personal interest and ascertain who were all the students in need of help.

He then requested that the allotment for depressed class scholarships should be made according to districts on a percentage basis with reference to the population of each of the communities coming under the category of depressed classes.

The FIRST MEMBER (Rajamantrapravina S. P. Rajagopalachari) replied that the Director of Public Instruction would take special interest and see how far the requests made by the speaker could be conceded.

Mr. Y. V. MUNISWAMI IYER objected to the proposal to write off a sum of Rs. 64,000 out of the loans granted to the Bhadra Colonists. He thought that the parties in question were not insolvents and if the Government made up their mind, they could recover the loans at least in a majority of cases.

He then referred to the promise of Government made at the time the levy of income-tax was proposed that the revenue derived in the shape of income-tax would be spent for the spread of primary education throughout the State. As the demand for primary education was steadily on the increase, he requested the Government to earmark for its expansion all the income derived from this source as well as the amount remitted by the Government of India in the subsidy to be paid by the State.

In this connection, he was reminded of an observation made by one of the members earlier in this session that several of the school masters recruited recently were themselves unable to read or write correctly. He remarked that efficiency in other departments also had considerably suffered and suggested as a remedial measure that the Recruitment Board be abolished forthwith; that 75 per cent of the staff required for all the departments be recruited through competitive examinations and the balance of 25 per cent be reserved for nomination of the best available candidates from backward classes.

He then proceeded to point out that the Engineering Department with its huge establishment had not been able so far to restore even 5,000 tanks as against 20,000 tanks in existence. All the difficulties of the raiyats were due mainly to the reason that the bulk of the tanks had not been restored. The Famine Relief Fund had accumulated to Rs. 62 lakhs and the Government would do well to utilize out of it a sum of Rs. 5 lakhs every year for tank restoration. He requested that provision to this extent be made in the budget under discussion and also in the budgets of future years.

He did not agree with an earlier speaker who said that the allotment for the Army should be reduced. In connection with the disturbances in Bangalore City in December 1937, the situation could not have been brought under control if the military had not been called in. The present level of expenditure under the head "Army" was absolutely necessary for internal safety. In this connection, he also proposed that the grant to the University be enhanced by Rs. 50,000 so that in each college a regular voluntary corps might be organized and each member thereof given military training.

One speaker had suggested that the Government must seriously consider the question of improving the revenue from Railways. This, in other words, amounted to a suggestion for enhancing the passenger fares as well as freight charges. If this suggestion was accepted, the speaker feared that even the existing traffic would get diverted to buses and the railway income would suffer still further. He therefore thought that the proposal to increase the railway fares ought not to be accepted.

In conclusion, he observed that the budget estimates before the House were

satisfactory from all points of view and offered his sincere thanks and congratulations to the Government.

Mr. H. K. MADIAH prefaced his remarks by thanking the Government for having sanctioned the construction of a bridge across the Shimsha in the Malavalli Taluk. He requested that the High School at Malavalli which was now a Municipal High School be converted into a pucca Government High School as the municipality was finding it difficult to manage it along with so many other commitments, and that the school be sanctioned as a permanent measure in view of its increasing popularity and existence for over 8 years on a temporary basis.

He then referred to the inadequacy of accommodation as well as the staff sanctioned for middle schools. He requested that at least two more middle schools be sanctioned for the Malavalli Taluk with the required staff. He believed that the demand was equally keen for additional schools in all parts of the State. In this view, he requested that the provision for middle schools be enhanced to Rs. 9 lakhs.

He then testified to the very good work that was being done by the Agricultural Department more especially after the present Director took charge of it. He wholeheartedly agreed with the suggestion made by one of the previous speakers that one experimental farm should be started in each district. He requested that the provision made for the Agricultural Department be increased to Rs. 5 lakhs.

The speaker also pleaded for increasing the allotment for the Sericultural Department and suggested that the raiyats in as many parts of the State as possible be encouraged to take to mulberry cultivation.

With regard to the question of tank restoration, he considered that silt clearance in tanks was more important than merely repairing the sluices or raising the waste weirs. He therefore requested the department to insist on the raiyats doing their portion of the work in this direction and themselves pay immediate attention to the work of silt clearance.

He then testified to the good work of the Central Traffic Board. But so far as the bus services in the mofussil were concerned, he said that proprietors thereof were enhancing the rates most arbitrarily during busy seasons. He requested that effective action should be taken to control them and to prevent such arbitrary enhancement of bus rates.

Mr. S. P. RAJAGOPALACHARI replied that Government would make needful enquiries if the member brought specific instances to notice.

Mr. MADIAH then represented that the Electrical Department be requested to pay prompt attention in the matter of the installation of irrigation pumps in rural parts, whenever a requisition was made for such installations.

Referring to the Judicial Department, he suggested that the present system of recruiting civilians directly to higher ranks of the judiciary should be put an end to. In particular, he suggested that ordinary graduates even though they happened to be civilians ought not to be appointed to higher ranks in the judiciary more especially as Magistrates. He was particular that only law graduates should be appointed as Munsiffs and Magistrates.

The speaker then complained that corruption was in evidence in almost all the departments of Government, and more particularly in the Revenue Department. No doubt, after the present Revenue Commissioner took charge of the department, much of that evil had been put down, but much more remained to be done in this direction yet. He suggested that whenever cases of corruption were brought to notice, the authorities must mete out exemplary punishments. While on this question, he regretted that when a charge of corruption on the part of the sanitary inspector of the Seringapatam Municipality was brought to notice, all the officers in a body shielded him much to the disgust of the council; so much so, as many as 16 elected councillors felt compelled to resign their places. This tendency to shield a corrupt official, he thought, was not the proper way of putting down corruption in the State.

The PRESIDENT stated that he was very sorry to hear that corruption prevailed in many departments of the State. He had no hesitation whatever in assuring the House that if such cases were confidentially brought to the notice of the Deputy Commissioners, the Revenue Commissioner, the Members of Council and the Dewan, they would see that severe action was taken against the persons concerned.

Mr. MADIAH thanked the President for this assurance. He then criticised the extravagant manner in which the grant for district conferences was being utilized. The conferences themselves did not appear to be of much benefit for the reason that the questions discussed there happened to be no other than those already discussed in various other bodies. He said he could vouch for the fact that the village panchayats and municipalities had been compelled to contribute towards the expenses of these conferences.

The PRESIDENT observed that village panchayats and municipalities ought not to be made to contribute towards the expenses of the district conferences. He however hoped that the Assembly would realize the advantages of holding such conferences.

Mr. S. P. RAJAGOPALACHARI added that circular instructions would be issued to the effect that the village panchayat and municipal funds should not be spent for purposes of district conferences and that the total expenditure for a district conference ought not to exceed Rs. 150 which would be sanctioned by the Government.

Mr. K. M. KRISHNAPPA GOWDA enquired whether the district boards were expected to spend any of their funds on these conferences.

Mr. S. P. RAJAGOPALACHARI replied that it was not necessary for them to do so.

Mr. G. MALLANNA enquired whether district boards could incur any expenditure if they wished to do so.

Mr. S. P. RAJAGOPALACHARI replied that they might do so with the previous permission of the Government.

Mr. L. VEMA REDDY brought to notice that Rs. 150 would not be sufficient for holding district conferences.

The PRESIDENT replied that the organisers ought to be able to keep down the expenditure within this limit.

Referring to the question of land revenue collections, **Mr. MADIAH** expressed his gratitude to the Revenue Commissioner for having shown sympathy in a liberal manner to the raiyats in distress by recommending remissions in all deserving cases. He also paid a tribute to the Revenue Commissioner for the high percentage of collections secured during the current year, more especially in view of the peculiar situation in the State during the year. No doubt collections were made strictly in most cases, but as the majority of the raiyats were due to pay only small sums, strict collection did not really mean any hardship to the raiyats as a class. He hoped that if the few land-owners who had to pay larger amounts of kandayam paid them off more promptly, the Government would be enabled to open more schools, more dispensaries, more roads, etc., and thus help the subjects of the State as a whole to a larger extent

The member concluded with an appeal to the Government that chances be given to as many non-officials as possible to serve on various committees appointed by the Government instead of selecting the same set of persons for all such committees.

Mr. D. VENKATARAMANAPPA complimented the Government on having been able to present a surplus budget for the coming year.

With reference to the allotment of Rs. 75,000 shown as having been made for improvements to Bangalore City, he explained that the net grant to the city for improvement purposes was only Rs. 15,000 as all the rest of the grant was meant for special purposes such as for acquiring lands with a view to improve the frontage of Sir Puttanna Chetty Town Hall, and for payment of the arrears due to Government on account of water supply, etc. The net allotment of Rs. 15,000, he represented, was meagre. A very large number of people from other parts of the State and outside were now settling down in the city and modern

amenities had to be provided for them. Also, huts of labourers were springing up in all parts of the city. The municipality had to provide latrines, urinals, model houses, etc., to these people. Otherwise the health of the city would be endangered. For all these things, the municipality had to incur heavy expenditure. In addition to this, the municipality had been called upon to pay as much as 4 lakhs of rupees every year to the Government as per recent agreement in regard to water supply to the city. This, he represented, was too heavy a burden for the municipality to bear. They had other commitments also like underground drainage, etc. The municipality could not afford to tax the ratepayers any further particularly because the merchants and traders were passing through very difficult times. In view of the very large income which the Government were deriving from the city in the shape of excise revenue, income-tax revenue, motor vehicle taxes, etc., he requested the Government to provide for increased grants to the Bangalore City Municipality.

He then represented that traders from outside were able to get capital at very cheap rates of interest and do business in the State successfully competing with the local merchants. As a result of this, the bulk of the business had now passed into the hands of outside merchants. It was therefore the duty of the Government to consider this problem seriously and do everything necessary to help the local merchants out of their present difficulty by providing them with cheap credit.

The speaker then referred to the closing down of the Sampige and the Dharmambudhi tanks in Bangalore City under instructions from the Government. No doubt a certain amount of nuisance which was being committed when these tanks were in existence had been put an end to now. All the same it was a matter for regret that so many orthodox citizens who would not use tap water were now inconvenienced on account of both the tanks being closed down. The poorer classes of people also were deprived of the convenience of washing and bathing. For all these purposes, they had to use tap water. This meant extra expenditure to the municipality. At the time the Government suggested the closing down of these tanks, they had promised to construct two ponds in each of them. The tanks had been drained of, but the ponds had not yet been constructed. He requested that Government should take needful action to construct these ponds at a very early date and that a sum of Rs. 5,000 should be provided in the budget for this purpose.

Referring to the Victoria Hospital, he regretted that the provision made for it had been reduced for the coming year. It was a premier hospital in the State to which patients from all parts of the State and even from outside were coming for treatment. Outsiders were somehow able to secure beds, but the citizens of Bangalore were often finding it difficult to get themselves admitted into the hospital, unless they secured recommendations from influential people. As poor people could not always secure such recommendations, they were often going without the much needed medical relief. To remedy this inconvenience, he suggested that the Government should provide for at least 50 beds to be specially reserved for local people.

In this connection, he was reminded of the very large number of student doctors working in that hospital. They were no doubt asked to give their service, but the hospital was not paying anything to them. Consequently, some of them were in the habit of receiving illegal gratification from the patients. He had reported such instances to the Senior Surgeon, but he did not believe that the evil had been put down. He therefore suggested that these student doctors be given some allowance to keep them above temptation and want. He also brought to notice that it was very desirable that the road in front of the laboratory of this hospital should be tarred at once as, owing to heavy dust, blood examination was being found difficult by the doctors there

Referring to the Vani Vilas Hospital, he said that it had come to his notice that the pay of ayahs and peons in the hospital had been reduced from Rs. 12 to Rs. 10. This was a great hardship to those poor servants. He had brought this fact to the notice of the Medical Officer in charge of the hospital and also to the Senior Surgeon, but he was sorry to say that those officers had thrown the entire blame on the Financial Secretary to Government.

The SENIOR SURGEON (Sastravaidyapravina S. Subba Rao) stated that it was not in every case that the pay had been reduced. Some of the new recruits had been appointed on Rs. 10, and they would get Rs. 12 in course of time.

Mr. VENKATARAMANAPPA said that he was not referring to new recruits and that he had definitely been told that those who were drawing Rs. 12 were now given only Rs. 10. If that was a fact, he would request that that injustice should be set right at once. He also mentioned that there was a loud complaint that some of the doctors in the Vani Vilas Hospital were not kind and considerate to the out-patients attending the hospital. He requested that if there was any truth in the complaint, the staff should be instructed not to give room for any such complaints from the public.

He also expressed his appreciation of the valuable services rendered to the State by the present Senior Surgeon, *Sastravaidyapravina* S. Subba Rao who was shortly due to retire.

The member requested that the Yadava community be given suitable representation at least in future when filling up vacancies in the higher grades of service. He concluded with an appeal to the Government that they should take steps to establish responsible government in the State as soon as possible after the recommendations of the Reforms Committee were received.

Mr. H. K. VEERANNA GOWDA said that he looked at the budget from a lay man's point of view and from the point of view of the tax-payer. He was of opinion that the most important departments concerned with the welfare of the tax-payer were Education, Medical and Communications and he was sorry to say that allotments for these departments were not at all satisfactory. With regard to primary education, the responsibility had been shoved on to the shoulders of local bodies. But while doing this, the Government had not taken care to make the necessary funds available to them. Knowing the financial position of the local bodies, Government were blaming them for the poor progress in educational expansion. Not only that; they were also making fresh proposals involving additional expenditure from time to time and calling upon the local bodies to find funds for giving effect to them. This indirectly amounted to making the local bodies levy fresh taxes, but the subjects of the State were not in a position to bear any additional taxation. For this reason he requested the Government to increase the allotment under education with a view to enable the local bodies to provide for primary education to all the children within their jurisdiction. He considered that it was of paramount importance to recruit a better class of people to handle these schools. The number of schools should be increased, the staff should be increased, their emoluments should be raised to at least Rs. 30 a month and above all, more accommodation should be provided in all the schools. Unless these improvements were effected, there was no possibility of primary education expanding in the State.

Closely connected with this question was the question of the working of the Elementary Education Act. Under the present system, the school board had to submit its recommendations to the district board. The district board was expected to meet once in three months, but as a matter of fact, it would not hold meetings regularly. Even if it met and the recommendations of the school board were included in the agenda, there was little chance of those recommendations being considered on account of the large number of subjects on the agenda. Granting that they would be considered, such recommendations would have to go up to the

Education Department for final sanction, so that important questions relating to educational matters would usually take at least one year before being disposed of. He requested the Government to devise means to simplify this complicated procedure.

Then, referring to the middle schools, he said that the complaint was as general as loud that the accommodation in these schools was quite insufficient to admit all the applicants; that the number of middle schools was inadequate and that the staff needed to be increased. If these complaints were to be remedied, Government should make up their mind to provide a very much larger allotment than was found in the budget under discussion.

The speaker was glad that the Government had made a liberal provision for providing drinking water wells to all the villages in the State and had prepared a programme of work for five years. He was not sure how far this programme would be actually kept up to. He however hoped that the generous intention behind this programme would be realized and carried out by those responsible for it.

He regretted that inter-village communications had been neglected for long, and hoped that in the coming year at least, Government would make some special grant for the improvement of these roads.

He then brought to notice that panchayat funds were being misused in a large number of cases. He did not see the justice of these funds being applied for purposes like the district conferences, construction of town halls, etc. He suggested that Government should issue strict instructions to the effect that the funds of these panchayats should not be used for purposes not concerning the particular villages.

The speaker joined Mr. H. K. Madiah in representing that corruption prevailed in almost all the departments of Government. He was ashamed to state that no business could be transacted in the taluk offices unless parties gratified the concerned clerks. He hoped that Government would take stringent action against all corrupt officials.

He next pleaded for the provision of liberal grants for village improvement works. In this connection, he was sorry that funds still continued to be wasted on items of work of an ornamental nature like approach roads, gate pillars, sign boards, etc., in a large number of cases. It was not approach roads that the villagers were in need of. More than those roads, they wanted roads within the villages themselves and also between villages.

Speaking of village panchayats, he could not resist the temptation of pleading for a certain amount of real power being placed in the hands of these small institutions. Whatever the theory at present, the members of the village panchayats including the chairmen were only titular office bearers. Nothing could be done by them except with the support and sanction of Government officials. The position was no better even in the case of minor and town municipalities. Instancing the case of the Maddur Municipality, he said that the drains in all important roads were some time back closed up and foot-paths laid out. This was done, he understood, under the instructions of the Dewan. Later on when rains set in, water began to rush into the dwelling houses and the municipality had to incur all the expenditure necessary for opening up the drains again. Recently again construction of what was known as the silk pattern drains had been taken up and this was also done in the name of the Dewan. He did not know why municipal funds should be wasted in this manner. The point he tried to make out in this connection was that when such large items of expenditure were incurred, the councillors, the vice-president or the president would have no voice whatever. The officers of the Engineering Department came and did all the work without even consulting the municipality. No doubt the Deputy Commissioner was consulted by those officers, but he did not know why the councillors should not have been consulted likewise. On the whole, it looked to him that orders of officers of Government were in effect more binding on the so-called local self-governing

institutions than the rules or Acts in force.

As regards district boards, their commitments were too many and their finances too poor. Meanwhile the demands on their funds were growing each day and the district boards were being blamed for not showing satisfactory progress in all respects. It was most necessary for Government to explore ways and means of improving the finances of the district boards. A special committee on this very question was now sitting, but it was not the recommendations of that committee that would matter so much as really the sympathy on the part of Government.

Referring to the question of district conferences, he agreed with the President that conferences by themselves were desirable, but remarked that when these were allowed to become the arena for the display of personal likes and dislikes on the part of the organizers, they would no longer continue to be useful. For example, to the conference which took place recently at Mandya, the representatives of the Maddur and the neighbouring taluks in the Representative Assembly were not invited. Even the representatives of the village panchayats which had contributed funds towards the conference were not invited. He doubted how far such conferences would result in any practical good to the tax-payers. There were other members of the Assembly who were also telling him that they had been ignored likewise. He was therefore led to believe that the conference was meant only for a particular type of persons and those holding different political views had perhaps no place in it.

Mr. S. P. RAJAGOPALACHARI replied that that was not a correct inference. The particular conference in question appeared to have been organized somewhat in haste. Besides, it was the first conference to be held in that place. Omission on the part of the organizers to invite more members must have been due only to this reason. He assured the House that there was no idea that anybody should be kept out of the conference. In fact, in the Government Order sanctioning the holding of these conferences, it had been definitely stated that all members of the Representative Assembly would be *ex officio* members of the conference. It was the wish of Government that all members of the Assembly should co-operate and make these conferences useful to the public at large.

Mr. VEERANNA GOWDA next dealt with the question of medical aid in rural parts. He very much appreciated the scheme recently approved by the Government of opening dispensaries in all cases in which the district boards were willing to contribute a small sum of money. Having found such a way of running dispensaries on cheap lines, he hoped that Government would find it possible to provide more and more dispensaries in the rural parts where medical aid is not available at present. In this connection, he said he had suggested that midwives attached to local fund dispensaries might be made to visit villages all round within a reasonable distance, get a list of pregnant women in those places and give them timely medical advice. In reply it was frequently being stated by the Government that midwives, being women, could not be expected freely to tour about. The very word *midwife* meant that she was a woman and because she was a woman, it would be unreasonable to say that she could not be expected to do much of touring. There was no use in having midwives if this principle was accepted. He had no doubt that all midwives would take up their work in a true missionary spirit. They must not be trained to expect too much convenience wherever they went.

Finally, referring to General Administration, he strongly pleaded for lowering the scales of salaries, particularly those of higher officers. He found from the budget estimates that Government were proposing to hold a Civil Service examination in the coming year. He did not know whether it was really necessary to hold this examination at short intervals and to recruit probationers on high salaries. This system of appointing Probationary Assistant Commissioners was, in his opinion, particularly objectionable in view of the popular

agitation in favour of reducing the number of appointments on high salaries and also that of lowering salaries.

He was also sorry that all power was centralised in the Government even though a number of local self-governing institutions were in existence. The voice of the non-officials was never heard and however unanimous the resolutions of local self-governing bodies might be, they were often set at nought. These circumstances pointed to the desirability of transferring power to the elected representatives of the people If this was not possible immediately, he would at least urge that those at the helm of affairs be made responsible to the general taxpayer. It was with this idea that he would conclude with an appeal for the establishment of responsible government in the State without delay.

Mr. N. HANUMANTHAPPA thanked the Government for all the encouragement they were giving for the education of the Depressed Classes by establishing free boarding schools and boarding homes in the various districts. He requested a special grant for effecting certain improvements in the Sri Narasimharaja Hostel at Bangalore. He also suggested that some change be effected now and then in the office-bearers of the managing committee of this hostel. As the educational progress of Adikarnatakas in the Shimoga and Chitaldrug Districts was very unsatisfactory, he pleaded for the establishment of free boarding homes in both the districts, as the mere sanction of a grant would not help the community very much.

Mr. S. C. MALLIAH congratulated the Government on the surplus budget presented to the House. Difference as to whether a budget was a surplus one or not existed in the State for many years past. He thought it unnecessary to discuss that question. The more important point for consideration was whether the allotments made for nation-building departments were sufficient and whether the position of the taxpayer had improved. He also agreed that from the point of view of the raiyat, the budget was not quite satisfactory. For example, the provision for primary education required improvement. This was a matter which was being pressed on the attention of the Government for several years past both in the Assembly and in the Legislative Council. Especially when a special cess was levied in the name of education, it was the bounden duty of the Government to provide educational facilities to the full extent necessary in all parts of the State. The Government had appointed a committee recently to consider this very question and when their recommendations reached the Government, he hoped that necessary measures would be taken to redeem the promise of providing free compulsory primary education universally. He was glad that the Government had taken up the question of drinking water wells in right earnest in proposing a five-year plan in that behalf at a total cost of Rs. 15 lakhs. He hoped that, if necessary, the Government would not hesitate to sanction even a larger grant for the purpose.

He was sorry that remissions were not being granted in all deserving cases. Even in cases where remissions were ordered, the relief was not reaching the raiyat in time. In the Mandya Taluk, for example, remissions for the current year had not been received up-to-date. Not much relief would be felt by the raiyats if they had to pay up the entire demand in the first instance and get a refund later on if and when remissions were ordered.

The need for inter-village communications had been emphasised by one of the previous speakers. He added his own support to the request that the Government should provide adequate funds for this purpose. He requested the Government to formulate a special programme in this respect and to see that a certain amount of money was spent on laying out new roads every year. It was not his intention that the entire expenditure should be incurred by the Government. The concerned village panchayats would be quite willing to make their own contributions if the Government decided upon a regular programme of works.

He was one of those who actually felt the inadequacy of accommodation in middle schools and also the necessity for increasing the number of teachers therefor. Because of these two reasons, many students who had passed through the primary course had to be refused admission in middle schools and were consequently compelled to lapse into illiteracy. If primary education should be of use to them, these boys must be given full facilities for completing at least the middle school course. The member next prayed for a substantial increase in the number of upper primary schools in the village parts. In his opinion, such schools were even more necessary than regular high schools. He requested that this question be referred for special consideration by the Committee on Primary Education.

With regard to the Bhadravati Iron and Steel Works, the speaker regretted that it was still continuing to work at a loss. The Government had held out high hopes at the time of seeking the sanction of the legislature for adding on the steel manufacturing plant. But it was seen that even after the steel plant came into operation, the concern had not begun to yield any profits. There was no necessity to keep such a losing concern going indefinitely unless it could be made to yield some profits at least to the extent of paying the depreciation charges. It was therefore necessary for the Government to seriously consider the question of closing down the Works.

Proceeding, **Mr. MALLIAH** said that the economic condition of the raiyat was most unsatisfactory. The burden of debt was weighing very heavily upon him. The Government, no doubt, had taken some steps to relieve him. But the raiyat still needed much more relief. The Government must therefore take some special measures to free the raiyat from his present plight. He was glad to hear in this connection that the Government were contemplating special legislation to relieve the agriculturist debtors from the liability of paying anything towards arrears of interest outstanding for a long time.

With regard to the question of corruption prevailing in the Government Departments, he was glad that the Dewan had made a definite promise to the House that if cases were brought to notice confidentially and if the Government were convinced that there was corruption, they would not hesitate to inflict exemplary punishments on those concerned. In British Indian provinces like the United Provinces and Bihar, the Congress ministries were taking drastic steps to eradicate corruption.

The PRESIDENT observed that he did not believe that corruption was rampant in the State. Nevertheless, he agreed that there should be no trace of corruption in the State and if it prevailed in any quarter and if the non-official leaders co-operated with the Government by bringing such cases to notice, Government would take strict action to put it down.

Mr. MALLIAH replied that to the extent possible, members of the Assembly would co-operate with the Government consistent with their own safety. He said this because, under the law in force, not only the person receiving the bribe but also he who offered it was liable to punishment. In this connection, he invited attention to the report submitted by the Bihar Committee and requested that action on the lines suggested therein might be taken here also whenever necessary.

Lastly, he referred to the inadequacy of travelling and daily allowances granted to subordinate officials and menials coming to Mysore on duty in connection with the sessions of the Assembly. He pointed out that substantial cuts had been effected by the Government in respect of both these items by the recent retrenchment orders. Consequently, as against a daily allowance of Rs. 5 which every member drew and the high rates of daily allowances drawn by the gazetted officers of the Government, the subordinate officials and menials were given daily allowances at the rate of 14 annas and 10 annas respectively. This was not enough for their actual expenses. So much so, these subordinates were necessarily out of pocket for all the hard

work they did in camp. He earnestly requested the Government to restore to them the original rates of travelling and daily allowances.

Mr. Bhupalam CHANDRASEKHARA SETTY said that though the budget which the Financial Secretary had prepared appeared to be a surplus budget, he was not one of those who would admit that it was really a surplus budget. He did not agree with that officer in thinking that the provision for Loan Sinking Fund was adequate. No doubt, he had already explained in the previous year that the allotments made for repayment of loans were quite sufficient. But from the present budget estimates, he was able to infer that the far-sighted policy of the Financial Secretary had not extended beyond the year 1940. At the rate at which funds were being set apart at present, it might be possible to pay off the loans falling due in 1940. But there were still other loans which would fall due for payment between the years 1940 and 1955. Even granting that the Government would be able to convert all those loans into 3 per cent loans, they would still have to find about Rs. 348 lakhs in order to discharge all the loans. In this view, he was definitely of opinion that it was not sufficient to provide only Rs. 18¾ lakhs every year as at present. He therefore suggested that in addition to the present level of contribution to the Loan Sinking Fund, the Government must set apart at least another Rs. 7 lakhs. Recently, a substantial remission of subsidy had been received and yet nation-building activities like village improvement, provision of education, medical aid, etc., had not received increased grants. He suggested that all remissions of subsidy should be earmarked for being utilized on the items mentioned above. He also urged that retrenchments should be effected at least to the extent of Rs. 7 lakhs in order that contributions to the Loan Sinking Fund might be adequately provided for.

The member then proceeded to say that in view of the resumption of the railway lines between Bangalore and Harihar and between Yeswantapur and Hindupur, the income from the railway would improve in the coming years and hoped the Government would see that even those receipts would not be appropriated in entirety for working expenses. He deprecated the present system of drawing from the Famine Insurance Fund for the normal expenses of the administration and averred that any one who had read detailed accounts of the great famine of 1881 would see the wisdom of keeping the Famine Insurance Fund intact. The member next pleaded for increased allotments being made for industrial developments as well as for education.

The member then referred to the wisdom of the agitation on the part of the people of Coorg to become part and parcel of the Mysore State. Though this rumoured amalgamation had been characterised as unlikely by certain interested persons, he felt that amalgamation was bound to come about sooner or later and that it would be in the best interests of Coorg herself. But he was of opinion that Coorg should think of this step only when responsible government had become an accomplished fact in Mysore. In this connection, he appealed to His Highness the Maharaja and also the Government to help the subjects of the State to realize this ambition at an early date. This, he thought, was the only way of perpetuating the fair name of Mysore and of enabling the respected names of His Highness the Maharaja and the present Dewan to be gratefully remembered by posterity.

Mr. A. DASAPPA requested that better facilities for the education of students of the Jyotinagara Vysya community should be given and that the community should also be represented in the Government service.

Mr. M. SIVABASAPPA pressed for larger grants under Education, Medical Aid, Drinking Water Wells Village Improvements and Agriculture. In connection with the expansion of primary education, he requested that the Government should withdraw their circular instructions that village panchayats ought not to spend their funds on improvement of school buildings.

He next stated that the experiment of entrusting the responsibility for primary education altogether to the local bodies had proved a failure and urged that the Government should take over full responsibility for primary education.

He then requested that better arrangements be made for providing medical aid in rural parts including the provision of one midwife for each hobli. In this connection, he said that it would be more useful to treat the railway cess which was being levied in many districts, even though no railway expansions were in view, as a local cess and make the receipts available for expenditure on medical aid. If this was allowed, he had hopes that the Red Cross Association as well as the concerned villa e panchayats would make their own contributions and add to the grants which the Government might make for the said purpose. For improving sanitation in villages, he suggested that the grant must be enhanced suitably so as to allot at least Rs. 10 for every village. He concluded with a request that the Land Mortgage Bank must be asked to make sufficient advances to all the raiyats in need of financial help and that the interest charged should be such as not to weigh heavily on the raiyats.

Mr. J. DEVAIYA thanked the Government for all the improvements they had effected to the Mandya town and also for opening a land mortgage bank there. He was also grateful for the special attention paid for checking the spread of malaria in the Irwin Canal area. He suggested that the sanitary inspector who was at present visiting the villages once a fortnight for distributing quinine, etc., should be asked to visit them at least once in three days, and to make periodical reports to his official superior with a view to getting any special help required to give effective relief to the sufferers. He then suggested that a midwife should be appointed in each hobli as it was not possible for the midwife at the taluk headquarter to attend to maternity cases in distant villages of the taluk. He also suggested that the Medical Department should think out an arrangement whereby quinine could be made available at every hobli headquarter.

With regard to the grant of sites for Adikarnatakas to build houses at Mandya, he stated that for want of adequate facilities such as the grant of building materials, the Adikarnatakas had been able to put up only sheds or thatched huts on the sites granted to them. No doubt, the Government had paid certain amounts to them as compensation for the buildings acquired, but that money had been carried away by their creditors. He therefore prayed that some special provision be made in the budget for giving them house building loans at nominal rates of interest.

He then represented that the Engineering Department was charging a heavy sum from the Mandya Municipality for water supply made to the town. In view of the very many commitments which the municipality had undertaken, he requested that the Goverument might be pleased to waive this claim altogether, more e s p e c i a l l y because very large contributions had been made by the raiyats in connection with the Irwin Canal scheme. In connection with the block system of irrigation in vogue in that area, he requested that suitable encouragement for the cultivation of cotton and tobacco be given and that a joint-stock company for ginning of cotton be floated at Mandya. This would incidentally provide labour to the large number of people who were settling down at Mandya from the rural parts.

Mr. MIRZA AZEEZULLA BEIG suggested that the Government must take all possible action to improve their revenues in all the departments. He sympathised with the representations that were being made in favour of reduction of land revenue in all parts of the State. But if this should be done, it was necessary for the Government to find increased revenues under other heads. Referring to the budget of 1936-37 and the Financial Secretary's Memorandum, he instanced the case of the Industries Department in which an expenditure of over Rs. 55 lakhs was incurred as against a total income

of Rs. 74·80 lakhs. This expenditure, he said, was out of all proportion to the revenue. He also thought that the overhead charges in the Railway Department were very high compared to the gross receipts derived therefrom. He was anxious that the Government should seriously consider the question of reducing the working expenses. He said that similar remarks would apply to the Krishnarajasagara Hydro-Electric and other works also. In a word, he wanted that all the industrial concerns of the Government should be run on strictly commercial lines. He also said that the Government would do well to strictly scrutinize the methods of purchasing raw materials; for, the common adage in commercial circles was 'well bought is half sold.' Accordingly he was particular that the departments should keep the cost of production as low as possible. He was in favour of the Government effecting drastic retrenchments in all the departments to the extent possible so that the savings so made might be used for purposes like education, medical aid, payment of debts or for improving the grants for nation-building departments.

Mr. B. SRINIVASA IYENGAR, referring to the agitation in certain quarters for the establishment of responsible government in the State, remarked that whichever form of government existed, personal equations were bound to come into play very often. The only question for consideration was whether the Government as at present constituted was doing its best to improve the lot of the tax-payer and conducting itself in accordance with well-known principles. He was satisfied that, judged by this standard, the Government of Mysore left little to be desired. In particular, he was pleased to note the very great improvement that the State's finances had shown within the past 7 or 8 years. From what was practically a panicky state, the Government were now able to reach a state at which they were able to present a surplus budget to the House. He was particularly pleased because this surplus budget had been presented after making sufficiently large provisions for all nation-building departments, and that too without enhancing the tax on land to any extent. In spite of this, if anybody failed to appreciate the foresight and wisdom of the Government, he for one would only regret it. It was true that there was a fall in the normal revenue of the State, but this was due, he said, to the inevitable fall in the excise revenue and such other reasons. The decline in revenue under some heads was due to circumstances beyond the control of the Government and for that reason, it would not be fair to criticise the Government vehemently. He did not agree with some of the members who had characterised the budget as a deficit budget. He would only invite the attention of such members to the fact that only 8 years ago, there was a deficit of Rs. 45 lakhs as against which, the budget before the House provided for a net surplus of Rs. 1·13 lakhs.

The member requested that the provision for 'Minor Tank Restoration' be enhanced substantially and that all the tanks which were awaiting restoration be taken up under a 5-year programme, as the Government had proposed in the case of drinking water wells. He also requested the Government to accept full responsibility for primary education in the State since the local bodies, situated as they were at present, were unable to come up to the expectations which were entertained of them.

Mr. K. KENCHAPPA prefaced his remarks by stating that every budget must have as its central motive the furtherance of the prosperity of the State and that it should not start with a bias for or against particular departments. The financial policy of a State, he observed, must be designed in such a way as to produce the maximum wealth for the nation. But it was difficult for him to know whether there was any such central object at all in the budget estimates under discussion. He was disappointed to find, on the other hand, that the budget failed to provide adequate grants for nation-building departments. He was particularly sorry to know that nearly three-fourths of the total revenue of the State was being utilized for non-productive

purposes. From the point of view of the relative position of the assets and liabilities of the State, he remarked that he was yet to find a parallel to the Mysore State in the whole world. He agreed with some of the previous speakers who had suggested that the revenues of the State must be substantially improved and its expenditure curtailed materially. But he thought that the only way of doing that lay in reducing the grants for departments like the Police. He pleaded that all the resultant savings should be utilized for increasing the allotments for primary and middle school education.

With regard to taxation, he suggested that no person in receipt of an income lower than a prescribed limit should be subjected to taxation of any kind, and that the Government should not also think of imposing any fresh taxes unless they had substantially improved the earning capacity of the subjects. He was equally proud with the Dewan that Mysore was blessed with many a gift of nature. But he certainly felt that the Government owed a duty to the subjects in having to improve the economic position of the citizen. By way of substantiating this observation, he quoted figures of *per capita* expenditure incurred by several advanced countries. The United States of America spent Rs. 65 per head of population, the Soviet Russia as much as Rs. 158, the United Kingdom Rs. 32, Canada Rs. 48; but whereas Mysore's contribution was less than one rupee. That was why the subjects of Mysore remained in such a backward condition; and if the Government really meant that the State should progress at least in the future, they ought to provide for education on a mass scale and otherwise equip the subjects in all possible ways.

With a view to find the wherewithal therefor, the member suggested that the Government must reduce the number of districts in the State or at any rate, that they should not think of adding to the existing number. He also proposed drastic reductions in the scales of salaries to higher officers of the Government. In this connection, he suggested that the disparity in salaries as between one cadre of officers and another should not be too much.

The FINANCIAL SECRETARY to GOVERNMENT (Rajasevanipuna S. Shamanna) explained that the scales of salaries in the neighbouring province of Madras were always higher than those in vogue in Mysore. No doubt, recently they had been lowered in some cases. But even after such lowering, the Madras scales continued to be much higher than those in Mysore. So far as Mysore was concerned, the scales of salaries had remained stationary for the past 50 years, and he did not see the justice of reducing the scales which had remained in existence for so long.

The PRESIDENT added that it was sometimes unsafe to fix the salaries at too low a standard. This, he explained, was the experience of many administrations. There was a limit even to patriotic service and it would be in the interests of the State not to lower the salaries unduly.

At this stage, the House rose for lunch and reassembled at 3-30 p.m.

Mr. K. SHAMA IYER offered his thanks to the Financial Secretary for the lucid manner in which the special features of the budget had been explained in the Explanatory Memorandum. He also thanked the Dewan for having explained some of the special features of the budget in his Opening Speech. He very much appreciated the classification of the revenues of the State under the heads of natural resources, commercial enterprises and the contributions of the tax-payer. He said that he liked the idea of putting all the receipts from natural resources into a development fund and applying it to new schemes of expenditure. He similarly liked the idea of fresh amenities to the subjects of the State and other minor items of expenditure being made a charge on income from the contributions of the tax-payer. He then expressed his thankfulness to the Government of India through this Government for the relief that they had extended to the Mysore Government by remitting the subsidy to the extent of

Rs. 5·39 lakhs. The efforts which the Dewan had made to secure this remission had placed the State under a deep debt of gratitude to him. The subjects of the State were eagerly awaiting the time when this iniquitous burden would be completely removed. The speaker had no doubt that the Dewan's attention was constantly riveted on this question, and in all attempts which he would make in future also to secure that end, he might count upon the hearty co-operation and support of the State as a whole. From the budget before the House, it was abundantly clear to him that the Government directly interested themselves in the question of public health. He was particularly thankful to the Government for having announced a 5-year plan at a total cost of Rs. 15 lakhs for providing drinking water wells in all the villages. If, in addition to carrying out this plan, the Dewan saw to it that a similar plan was undertaken to provide a primary school for each village, there was no doubt that the Dewan's name would be remembered with gratitude by posterity. As a member representing the minority interests in the Assembly (*viz.*, Commerce), he pleaded for a larger amount of help for the said interest.

He then explained that many large works had been carried out during the period of office of the present Dewan—works meant for the benefit of all classes alike of His Highness' subjects. This had become possible as a result of the Dewan's enlistment of public philanthropy to the extent of Rs. 20 lakhs. In this way, the State had been helped with many hospitals, schools, etc., and for this one achievement alone the name of the present Dewan was bound to be perpetuated in the memory of Mysoreans.

It was a testimony to the political foresight and vision of the Dewan that a special committee to consider the question of political reforms in Mysore had been recently appointed. He only hoped that political agitators would see the wisdom of awaiting the recommendations that were soon bound to be submitted by that committee. He then shared the Dewan's ambition that Mysore should soon be the most advanced part of India and he wished that this ambition of the Dewan should become an accomplished fact at no distant date.

He also pleaded for the establishment of District Economic Councils in each district to consider questions relating to the economic, agricultural and industrial well-being of the State.

The member then referred to the question of corruption in the State. He very much regretted that some of the earlier speakers should have stated that corruption was rampant in almost all the departments of Government. He was certain that there was not even a few among the employees of the State who were guilty of such an offence. On the other hand, he was in a position to testify to the general purity of the services. Even apart from his personal opinion on such an important matter as this, he was personally aware of a number of distinguished visitors having testified to the honesty and integrity of the services in Mysore. In conclusion, he thanked the Government for all that they were doing to improve the moral and material condition of the subjects of the State to such an extent that in the words of a well-known French Engineer the progress in all directions was marvellous when compared to the rest of India.

Mr. K. T. BHASHYAM AIYANGAR observed that the economic position of the State as disclosed by the budget estimates before the House was not very encouraging. From the Explanatory Memorandum, it was clear to him that the State was groaning under a heavy weight of debt. Even after making provision for the Sinking Fund and other deposits which the Government had laid by for the purpose of repaying the outstanding debts, he thought that the total liability of the State amounted to something like Rs. 22 crores. On such a large amount as that, the State was paying interest at present. The interest charges alone had risen to Rs. 62,86,000 in addition to the contribution of Rs. 18 lakhs odd made towards Sinking Fund. In other words, it meant that this large amount was going out of the State exchequer.

As regards assets, they amounted to only Rs. 27·22 crores. But he was not sure that even that figure was quite dependable. In fact, he doubted whether at all the State possessed assets exceeding the total liabilities. Apart from the value of cash and investments, it was stated that the State had assets of the capital value of about Rs. 17 crores odd as follows :

Mysore Railways	... Rs. 6½ crores.
Krishnarajasagara	... Rs. 8 crores.
Industrial and other works.	Rs. 1 crore odd.
Iron and Steel Works	... Rs. 1½ crores

and so on.

He did not know how far these values held good at the present time. The valuation itself, he feared, had been made by no trained experts. It looked as though the Government had arrived at these figures merely on the basis of the expenditure actually incurred decades ago and that sufficient margin had not been allowed for depreciation which was inevitable in every industrial concern. He was prepared to concede that the Government themselves were aware of this principle of making allowance for depreciation, but yet he did not know why they had failed to make the allowance in view of the fact that normal revenues were not sufficient to meet the normal expenditure. This was why the members had been crying hoarse in season and out of season that the Government must make up their mind to limit the normal expenditure to the extent of the normal revenue. The only unobjectionable way of finding means to pay the interest charges was by meeting them altogether from the return realized from the various capital investments. But the Government were persisting in their meeting such charges from current revenues, and whenever the current revenues did not suffice for this purpose after meeting normal demands, they unhesitatingly went on drawing from accumulated reserve funds. Such a policy had resulted in the present plight of the State having to draw from every possible source for meeting normal expenditure. This was why all the reserves had disappeared, except perhaps that of the famine insurance fund. But even from the interest realized on this fund the Government did not hesitate to spend for normal items. He did not see the wisdom of utilizing for normal purposes even the remission of subsidy which had been received so far. When they were unable to provide even for normal purposes from their normal revenues, they had necessarily to float loans for carrying out works of a capital nature. Such borrowings had amounted to the high figure of Rs. 10 crores. The State was committed to pay interest on this large sum. That was how a good part of the State's earnings were going out in the shape of interest. No doubt, the unfunded debts had been invested on capital works. But borrowed funds also had been invested likewise. The old practice of laying by something out of the normal revenues for unforeseen expenditure had unfortunately been discontinued. The Railway Sterling Loan had been repaid mostly with the help of borrowed funds. The Government ought to have been able to discharge it from savings out of normal revenues. It was on account of their short-sighted policy that there was a deficit of Rs. 10 lakhs as compared with the normal budget. This was balanced only by utilizing for normal purposes all the revenues derived from productive works and also the interest realized on sinking fund investment. At this rate, he was not sure how long the State could proceed with works of a capital nature. Very likely borrowings in open market would become inevitable. Loans aggregating Rs. 2·16 crores had to be repaid during the current year. But either because the Government were not willing to repay them or because they could not do so, they had floated a conversion loan. How far this was a wise policy was reflected by the circumstance that conversions only to the extent of Rs. 53 lakhs had so far been agreed to by the bond holders. All the rest of them preferred cash payment. He was not prepared to say that the Government ought not to borrow at all. It was not always possible for progressive administrations to do without public

debt. And he also agreed that borrowed funds might be applied for capital purposes in any number of cases. But what he was objecting to in principle was the financing of capital works almost exclusively from borrowed funds and diverting the interest earned thereon for normal items of expenditure. If such a thing was done, naturally the burden of debt would be too heavy for the tax-payer to bear. He requested that even now the Government would do well to boldly proceed about re-adjusting its financial policy on sound lines, keeping normal expenditure within the limits of normal revenue. How this should be done exactly was a matter for investigation by an expert committee. The retrenchment committees appointed in the past had examined this very question and suggested that, in addition to meeting all normal expenditure, the State ought to be able to set apart from normal revenues at least a sum of Rs. 9 lakhs as contributions for the reserves. The Government had acted on that suggestion for a year or two only but gave it up later. Even during the current year, when as much as over Rs. 5 lakhs had been received from the Government of India as remission of subsidy, the Government had not acted on that healthy principle. Consequently, he was of opinion that in spite of the appreciable increase in revenue, the State's finances were no more satisfactory than they were 10 years ago. In recent years, the Government were receiving Rs. 15 lakhs from income-tax, a like sum from miscellaneous taxes, and a similar sum from mining revenues and in spite of all these, the State finances did not seem to have derived any benefit from such improvements in revenue. As regards other revenues, he did not see why there should be an appreciable fall under excise, sandal oil, etc. He was not prepared to believe that the fall in excise revenue was due to a decrease in consumption. If this were so, none would be pleased more than he. But he doubted this very much, because, there was no reduction in the number of shops, the Government had not adopted the policy of prohibition and the consumers had not realized the evils of drink. In the first place, he thought that this fall in excise revenue was due to illicit distillation on a large scale. In the second place—and this he thought was the more important reason—contractors from outside had been enabled to form rings of their own and made it impossible for local contractors to secure contracts by open bids. His main concern was no doubt to plead for total prohibition in the State. But until that became an accomplished fact, the Government must at least see that they got proper bids at the auctions. He hoped that the Government would take this matter into immediate and serious consideration.

With regard to prohibition, the Government might say that they had recognized it in principle and in fact commenced the experiment in the Closepet area. But he characterised this as a mere half-hearted measure. He did not believe that that experiment would succeed. If at all the Government were earnest about trying the experiment, they must do so by introducing prohibition at least in one or two districts of the State. Just as the formation of rings was responsible for the fall in excise-revenue, he thought that there must be some similar cause responsible for the fall in the income from sandal oil. But he was not sure of the causes in this case and it was the necessary duty of the Government to investigate the causes in all seriousness. Mysore oil was reputed to be the best in the world and yet he was at a loss to know why it was that it was not fetching the revenue which it was once fetching. One of the reasons which he could rightly attribute for this was that the overhead charges were too high and required to be reduced substantially. In this and other directions also there were many things for the Government to do with a view to improving the economic position of the tax-payer. If only the Government did it with determination, they were bound to succeed.

Mysore sugar-cane was also stated to be the best in the world and that nowhere else was the soil better suited to growing sugar-cane of the best variety.

This was the unanimous opinion of reputed experts. In spite of this, the Mysore raiyat had not been trained nor given the necessary facilities to manufacture jaggery on scientific lines. Defects like this were due, he thought, to the want of a driving industrial policy on the part of the State. No doubt the department was manned by highly paid officers and there was plenty of talk about the industrial progress in the State. But he was not convinced that the best was being done in the direction of industrial progress in all parts of the State. It was imperative that village and cottage industries should be introduced in a systematic manner in every village. The village industries should have reference to the soil condition and the raw materials available in each place. In this way, it ought to be possible for the State to encourage in different parts of the State small scale industries like bangle making, fruit canning, etc. Larger industries, in his opinion, had nothing substantial in them except spectacular effects. But it was the smaller industries that would bring money into the pockets of the tax-payer. All the same, he agreed that larger industries were also necessary. But the State ought not to forget that village and cottage industries should be encouraged side by side.

Referring to marketing facilities, the speaker observed that there was no reason to fear that the articles manufactured within the State might not find a sale. If the marketing officers of the Industries Department did their duties properly, such a fear would be altogether groundless. In this connection, he was reminded of the fact that Mysore soaps, Mysore sandalwood oil, etc., ought to find better sales in different parts of India if more efficient marketing arrangements were made. He deprecated the policy of appointing outsiders as agents or salesmen in different parts of the country. He was strongly in favour of young Mysoreans being sent out for the purpose of opening agencies in different parts of India and taking charge of the markets in different States and Provinces. It would then be possible to find sales for all the articles manufactured in the State and the reputation of minor industries like Channapatna toys, for example, would spread far and wide. The villages would then thrive, the unemployed would find employment, the tax-payers' earning capacity would be increased, and the reputation of the State as a whole would rise higher than at present.

On the question of improving the Railway income of the State, he referred to the desirability of keeping down the working expenses of the Mysore State Railway and suggested the adoption of a policy of co-ordinating the railway and road traffic as well as reduction in the rates of freight. This he suggested only as an example of the things to be done by the Government courageously. He had no doubt that the Dewan was second to none in patriotism to the country's interests. All the same, the speaker felt that more courage was needed. For example, the Government must seriously consider the question whether in the event of the revenue from sandal oil proving to be incapable of improvement, the time had not arrived for their making over the sandal oil business to private agency insisting, of course, on a reasonable royalty, instead of continuing to keep the monopoly for themselves.

Referring to General Administration, he once again stressed the need for keeping down the cost and specially for reducing the scales of salaries at least in the higher grades. He was aware that every time this question came up the Government persisted in saying that it was not possible to reduce the cost of administration and that it would be an ill-advised step to reduce the scales of salaries. But despite such protests, he was pleased to find that the total cost of General Administration was about Rs. 6 lakhs less than it was 12 years ago.

The PRESIDENT interjected that this was an example to show that the Government were doing all that was possible in that direction.

Mr. K. T. BHASHYAM AIYANGAR complimented the Government on that step. Still he felt that the Government

had not done all that they should. It was possible to bring down the cost of administration much more and he requested the Government to do so. He hoped that even now the Financial Secretary might not mean it if he happened to say that the cost could not be reduced further.

Mr. S. SHAMANNA said that he might perhaps facilitate discussion on the budget by offering certain explanations at this stage. Some of the points made out in the course of the discussion so far were, in his opinion, in the nature of grievances concerning particular departments. He would say nothing by way of replies to such points. But he felt it necessary to make some observations with regard to the points relating to the financial policy. The bulk of the criticisms related to keeping down unnecessary items of expenditure, dispensing with unnecessary appointments, deriving better returns from investments, etc. With regard to these points, he assured the House that there was no difference of opinion as between the Assembly and the Government. The Government were giving effect to these suggestions as far as possible already and would continue to do so in future also. On particular questions whether the expenditure on any department was at the minimum or not, there were bound to be difference of opinion. For example, one member had suggested that the grant for the University should be reduced in order to enhance the provision for primary education. As against this, another member thought that the University should continue to receive grants as at present, but that the provision for primary education should be enhanced without prejudice to the former. Some members pleaded for larger grants for irrigational purposes and others had pressed for improved allotments for industrial expansion. Thus, if one member pleaded for larger grants for particular departments, could it be said that other departments were unnecessary? All the departments now in existence in the State were quite necessary if the State had to function properly. The several departments of Government were like the several limbs of the body politic.

Some of the criticisms amounted to saying that the budget was a mere manipulation of figures. But the explanations contained in the Memorandum furnished to the House was a sufficient refutation of this allegation.

With regard to the criticism that the provision made for repayment of loans was inadequate, he would once again assert that the State was quite able to pay back the loans as and when they fell due for repayment.

One of the members had remarked that the mining revenue should not have been included in the normal revenue budget, but should have been laid by separately. It was immaterial whether it was shown separately or as one of the items of normal revenue. It could be done either way. Thirty or forty years ago, the Government were spending part of current revenues for capital works. Subsequently, they commenced to finance capital works from borrowed funds. So long as the Sinking Fund had been maintained and the interest derived from capital works is found sufficient to meet the interest charges on borrowed funds and the contribution to the Sinking Fund and so long as the Government were confident of repaying the loans whenever they fell due, the interests of the State were quite safe, because the loans would be repaid in time and yet the capital works would remain. The Government would have been as glad as anybody if all capital works could be financed only from normal revenues. But that was not practical politics. There was not much force in the argument that gold mining revenue should not be treated as an item of normal revenue. The Retrenchment Committees appointed in the past themselves did not make any such suggestion. Speaking of capital works as a whole, he explained that the State was having a balance of Rs. 12 lakhs after paying interest on borrowed funds and making adequate provision for Sinking Fund.

Mr. K. T. BHASHYAM AIYANGAR enquired when the State might reasonably expect to repay all the existing loans at the present rate of contributions to the Sinking Fund.

Mr. S. SHAMANNA replied that the State was quite prepared to repay all the existing loans as and when they fell due. He thought that one of the earlier speakers had made a mistake in apprehending that this was not the case. The State was certainly making adequate contribution to the loan fund, and if the future interest and compound interest were taken into account, nobody could doubt that the present rate of loan contributions was quite adequate.

Members should also not lose sight of the fact that the Government were exercising great care so far as this question of loans was concerned. By means of conversion loans they were steadily bringing down the interest charges.

Mr. BHASHYAM AIYANGAR observed that the explanations offered by the Financial Secretary were pleasant though not convincing.

He pleaded with the Dewan to see that the question of extending the railway connection to Sathyamangalam was pressed on the attention of the Government of India. This, he thought, was the only way of securing the permanent industrial and commercial interests of the State. Whatever else was achieved or not in the coming years, the Dewan would have served the interests of trade and commerce in Mysore if he succeeded in his attempt of linking up the Mysore Railways with the S. I. Railway system in the south. For all her export trade, Mysore now depended upon the Madras and the Bombay harbours, and with the construction of the Cochin Harbour decidedly the shorter route would be through Sathyamangalam.

The member then pleaded for an improved provision for expansion of primary education. In this connection he regretted that even the small sum of Rs. 10,000 provided for during the current year seemed to have lapsed.

Mr. S. P. RAJAGOPALACHARI said that it was not a correct statement. As soon as the budget was passed, the allotment was distributed among the different local education authorities.

Mr. BHASHYAM AIYANGAR did not know that it was so. But he wondered why if the amount had been actually distributed to the districts, the expenditure was not shown in the budget. He hoped that in future at least the figures would be explained clearly in the budget.

In this connection, he suggested that it would enable the members of the Assembly to follow the figures more clearly if the Government furnished them also with copies of the Audit and Appropriation Report.

Mr. S. P. RAJAGOPALACHARI invited the attention of the speaker to page 72 of the Explanatory Memorandum and said that item XIII showed that out of Rs. 10,000 which had been granted for expansion of primary education as many as 54 new primary schools had been started during the current year.

Mr. BHASHYAM AIYANGAR then requested that the grant for primary education be substantially increased, if possible, to Rs. 1 lakh.

He then pleaded for increased allotment for the restoration of minor tanks, and suggested that these works should be financed only from unfunded debts. He also pleaded for improved allotments for village communications, as also for the establishment of a central radio station which alone would help the education of the rural population in general.

Mr. S. P. RAJAGOPALACHARI replied that the Government were not unwilling to accept the latter suggestion. In fact they had already appointed a special committee to report on the feasibility of this suggestion. But it was found that in addition to an initial cost of Rs. 5 lakhs the annual recurring cost alone would be between Rs. 1 lakh and Rs. 2 lakhs. The scheme had not been given up, but it was the financial aspect that was engaging the serious attention of Government.

Mr. BHASHYAM AIYANGAR suggested that the Government might obtain alternative estimates so that if a radio station could be established at a cost of about Rs. 2 lakhs, it might be installed.

Mr. SYED KHAJI YUSUFF SAHIB supported the request and added that

if a radio station was installed, the various municipalities and panchayats might be willing to make reasonable contributions towards the cost

Mr. BHASHYAM AIYANGAR then referred to the question of the high level of land taxation in Mysore. He pleaded for substantial relief to the raiyats from this burden. He also requested the Government to scale down the agricultural debts which were making it impossible for the raiyat to stand on his own legs. It was not merely debt conciliation that was needed but also debt redemption. This latter question no doubt required a great deal of courage on the part of Government, but unless the Government took more effective action in this direction, he feared that there would be no salvation for the raiyat.

He then represented that coffee industry in the State was passing through unprecedented difficulties and that unless the Government took some special action to go to its succour, the industry was sure to die in the near future.

The member then referred to the necessity for introducing certain reforms in jails and prisons. He felt that prisoners were treated at present like dumb animals. Government must appoint a committee to recommend reforms with a special eye to providing some amenities to prisoners. He complained, for example, of monotony of food as served to the prisoners. He also suggested the desirability of prescribing a maximum limit in the case of long term convictions. He thought that it would be inhuman to keep any one in prison for long periods like 18 to 20 years.

He concluded with an appeal for a proper and sympathetic understanding by the Government of the general awakening which had come over the State in recent months, as also of the legitimate aspirations of the people in respect of securing a share in the administration of the State. It might be that in their zeal to secure certain rights and privileges for the people of the State, some of the members might have gone farther than necessary. But, if on such occasions the officers took the opportunity to book such leaders, the reputation of the officers or even of the law of the State might not necessarily be enhanced. On the contrary, if they exercised discretion and restraint even when they could take action against such leaders, their reputation would go higher than at present and the leaders themselves would realize the necessity for similar restraint on their part. For example, the speaker confessed that earlier in the session, he had made certain pungent remarks against the Dewan to which objection was not taken at the time. This, in itself, had exercised a healthy influence on the speaker and he had come to see the wisdom of observing moderation even in offering criticisms. It was his request that all those in power might think and act on similar lines and even when representations for radical reforms in the administration were made, they might consider them with due sympathy and in the proper spirit. Just as any miscalculation on the part of a leader would bring the public cause as a whole into disrepute, a single decision wrongly taken by officers responsible for keeping law and order would similarly bring the entire Government into disrepute. If all officers bore this in mind, if they took the representatives of the tax-payers into their confidence and realized that the level of taxation in the State was too high, that the tax-payer was immersed in poverty and ignorance, and that the masses lacked the benefits of compulsory and free education, the officers could not but appreciate the agitation now going on in the State in favour of responsible government, the present government would be ensuring the peace and prosperity of the State for all time to come by acceding to this popular agitation in favour of responsible government. No doubt a committee was now deliberating on this very question. And everybody was looking up to the recommendations of the committee. When those recommendations came up before the Government, the speaker fervently hoped that Government would give the most sympathetic consideration to them.

Mr. T. L. GANGOJI RAO SALANKEY commended the attempts of Government to balance the budget at a time when there was economic depression all the world over. He also complimented the Government on their industrial policy which had earned high reputation from outside, thanks to the keen sagacity and foresight of the present Dewan. But the speaker was sorry that the Government were not deriving as much benefit as they ought to from their industrial undertakings. He thought it necessary therefore to have an organization in each district to supervise the working of the industrial law. In this connection, he suggested the establishment in each district of District Economic Councils consisting of both officials and non-officials to consider questions relating to the industrial prosperity of the State. As regards the subsidy, he said that though the remission by the Government of India of Rs. 5·39 lakhs went a great deal towards helping the Government to balance their budget, no stone should be left unturned to see that the subsidy was abolished *in toto*. Unless that was done, he was of opinion that there was no hope for Mysore to improve. He expressed his gratitude to the Dewan for the statement in his Opening Speech to the Assembly that he would spare no pains to see that the subsidy was abolished. The sooner that was done, the better it would be for Mysore.

He then said that even though the Recruitment Board rules were in force for a number of years past and the Government were acting on the principle of giving representation in the services to all communities including the minority communities, the Mahratta community still went without adequate representation, more especially in the higher grades of the services. He regretted in particular that there was not even one Amildar or Sub-Division Officer belonging to this community. He therefore requested the Government to appoint deserving young men of the Mahratta community in the higher grades of the service.

Continuing, he mentioned that all over India, Mysoreans enjoyed very high reputation for their hospitality and liberal outlook. But in regard to the economic condition they appeared to be the poorest in India. Having travelled far and wide in India he was convinced that the agriculturists in Mysore were hit hardest by the present general economic depression. The agriculturist was unable to bear the heavy taxation and it was with a view to providing him with necessary relief that the Government here had, with the help of the Legislature, enacted the Agriculturists' Relief Act. But this measure, instead of helping the agriculturist, had really rendered his position worse than before. Since he had no securities to offer, no money-lender was prepared to help him with funds. In the circumstances, he requested the Government to consider how best the agriculturist should be helped in future.

Next to agriculture, the most remunerative industry in Mysore was sericulture, which had been providing employment to as many as 10 lakhs of people. But, for some years past, this industry was passing through unprecedented depression and it was no exaggeration to say that the industry was languishing The main reason for such a position was the very keen competition which Mysore silk had to face from China and Japan. The speaker had always been of the opinion that instead of exporting Mysore silk as raw material to foreign countries for being converted into finished articles, Mysore would do well to prepare finished goods herself and appropriate the large profits which were now going to outsiders. Unfortunately this suggestion had not been acted upon. The experiment of improved type of domestic basins introduced by the Sericultural Department in Mysore had also not proved very beneficial to the local sericulturists. For all these reasons, the Mysore sericulturists found themselves helpless. Even now he would specially plead that the Government should take this question seriously into consideration and devise all needful methods to resuscitate this dying industry, for example by granting special subsidies and so on.

Mr. B. CHAMAIYA did not agree with the view that the budget estimates before the House showed the financial position of the State as being satisfactory. He remarked that the provision made for primary education was altogether inadequate. Though the Elementary Education Act had been in force for the past eight years, the ideal of universal primary education was still as far off as ever. If that ideal had to be achieved, it was essential that the Government should provide much larger grants for the spread of primary education. As regards middle school education, he was sorry that, in the first place, the number of schools provided was inadequate and in the second place, even the existing schools had not sufficient accommodation. In the French-Rocks Town particularly, no class room was capable of accommodating more than 15 students. The matter had been brought to the notice of practically all the officers of the department, but so far no action had been taken to provide adequate accommodation. He requested the Government to consider this question and provide needful relief.

As regards rural reconstruction, he requested that the following items should receive special attention: (1) provision of inter-village communications, (2) improving of marketing facilities to enable the raiyats to sell their crops in the best markets and at the best seasons, and (3) provision of medical aid on an adequate scale in all the rural parts. In connection with the last item in particular, the member suggested that the Government should have a five-year plan as they had proposed in the case of drinking water wells.

Referring to the question of local self-government, the member regretted that the Government were still continuing to interfere with the internal management of local self-government institutions. He did not believe that the Government were earnest about improving these institutions and giving them the much-talked of training in local self-government. As an instance in point, he referred to the extreme indifference with which the authorities had treated the request of the Municipal Councillors of Seringapatam concerning the question of transferring the Chief Officer and the Sanitary Inspector. He was not a little surprised why the authorities should have thought of shielding those officials when serious allegations were made against them by responsible members of the Municipal Council.

Referring to the activities of the Agricultural Department, he remarked that the Nagenahalli and other farms seemed to be carrying on work on more or less routine lines. For example, the variety of paddy known as Coimbatore Sanna was amenable to diseases like *bekkode* and it was necessary to find a suitable substitute for that variety. The Director of Agriculture had promised to take necessary action in this respect, but so far neither a remedy for the disease had been discovered nor a substitute variety found. The member hoped that the present Director of Agriculture would pay special attention to this matter.

The speaker then referred to the total inadequacy of the travelling and daily allowances granted to the low paid officials of Government and menials. He represented that the Secretariat officials and peons going to Mysore on duty in connection with the Birthday and Dasara Festivities were paid daily allowance at the rate of 14 annas and 10 annas respectively, and that these rates were certainly not enough to defray their actual expenses at Mysore. He appealed to the Dewan to consider this question sympathetically and order that the original rates of travelling and daily allowances be restored in the case of the smaller officials and peons.

Mr. S. C. MALLIAH supported this representation by adding that as a matter of fact the officials and servants on duty at Mysore on the said occasions were actually spending more than they were getting.

Mr. K. M. KRISHNAPPA GOWDA also supported the request.

Mr. B. CHAMAIYA stressed this point by inviting attention to the large disparity between the rates of daily allowance

granted to the higher officers of Government and the lower subordinates, and appealed to the Government to realize the injustice of it and take immediate action to provide the necessary relief in the case of the lower subordinates.

He next brought to notice that the Magistrate at Seringapatam was in the habit of posting a very large number of cases every day knowing that only a few of them could really be taken up. He requested that instructions be issued that in the interests of the convenience of the litigant public, the Magistrate should post for hearing only as many cases as he could practically dispose of or hear. In this connection, he also brought to notice that all the shady trees in the compound of the Magistrate's court had been cut off for the alleged reason that the Dewan had given instructions to that effect. He was sorry that the Dewan's name was being misused by a number of officers of different departments in this way. Poor villagers coming to the court were thus denied the benefit of shady trees. He requested that instructions be issued that trees should not be cut off where these still existed and that new plants of the required type should be grown wherever shady trees did not exist.

The PRESIDENT said that he was sorry to hear this representation. He was always suggesting wherever he went that useful and good-looking trees must be planted and benches provided for the convenience of the general public.

Mr. B. CHAMAIYA then requested that the Harrison Bungalow which was in the Krishnamurthy gardens in Seringapatam be improved, as it was an ancient monument of historic importance.

The PRESIDENT said that this was a private property still and action was being taken to acquire it. As soon as this was done, Government would seriously take up the question of improving it.

In conclusion, **Mr. B. CHAMAIYA** requested that immediate action be taken to provide water facilities for the Belagola model village.

The PRESIDENT promised that early action would be taken in this direction. He also added that Belagola was a place which was expected in the near future to assume considerable importance in view of the proposed establishment of chemical works at the place.

Mr. S. VENKATASWAMI GOWDA pleaded strongly for the reduction of land assessment in Kolar in view of the fact that rainfall in the district was disappointingly inadequate and that in a number of cases crops were failing every year. In the current year particularly, he said that many raiyats did not plough their lands at all. He also represented that monkeys were damaging the crops in many cases and requested that special measures be taken to transport them to some far off places.

With regard to the general complaint that taxation was higher in the Kolar District than in the adjoining tracts of British India, he requested the Government to arrange for a joint inspection of the two tracts by officers of the Revenue Department and the representatives of the Kolar District.

Mr. SYED KHAJI YUSUFF SAHIB and **Mr. Y. V. MUNISWAMI IYER** supported this suggestion strongly.

The REVENUE COMMISSIONER (Mr. K. V. Anantaraman) said that he was not opposed to the idea of joint inspection. But he stated that he was definitely of the opinion that the rates in the Kolar District were, generally speaking, more favourable to the agriculturists than those in force in the British Indian tracts like Ranibennur, Bellary, etc. He said that he was supported in this opinion by Settlement records.

Mr. S. P. RAJAGOPALACHARI also spoke to the same effect and added that the Settlement records went to show that the lands in the Kolar District were generally more fertile than the adjoining lands in British India. This was the reason why the rates had been fixed at a higher level in the district. But in view of the repeated representations from this district, the Government had recently ordered the reduction of the maximum dry rate to Rs. 2-12-0.

Mr. S. VENKATASWAMI GOWDA repeated his request for joint inspection and said that if, at the time of the inspection, the officers of Government were able to convince the raiyats that they had no grievance on account of the existing rates of land revenue, the raiyats would give an undertaking that they would make no more representations in future for reduction of those rates. If, on the other hand, the officers were convinced that the raiyats had a grievance, then it would be up to them to give the required relief to the raiyats without any hesitation whatsoever.

The PRESIDENT replied that the Revenue Commissioner would soon arrange for a special inspection in the Kolar District.

Mr. S. RAMAPPA requested that the Revenue Commissioner might give previous intimation to the representatives of the district so that they might also accompany him in that inspection.

The PRESIDENT agreed to this suggestion.

Mr. S. VENKATASWAMI GOWDA then referred to a suggestion made in the Assembly on the previous day that fees should be levied in all middle schools so that Government might be enabled to open more schools in different parts of the State, and said that he was shocked to hear that a responsible member of the Assembly should have thought it fit to make such a suggestion. It was the ambition of most members of the Assembly that education even in the high school grade ought to be made free in all cases. Such being the case, it was a most ill-advised suggestion for anybody to make that middle school education should no longer be free.

Mr. SYED KHAJI YUSUFF SAHIB said that the leather industry in Mysore which was providing employment to a very large proportion of labourers, was hit hard on account of the export duty imposed by the Government of India on raw hides. There was a strong feeling in the State that the Government of India must be requested to give protection to wattle bark. He requested the Government to take up the matter with the Government of India.

Extension of the Session.

At this stage on the request made by Mr. K. T. Bhashyam Aiyangar, **the PRESIDENT** announced that the session would be extended by two days so that full time might be available for transacting the remaining business in accordance with Standing Orders.

The Assembly adjourned at 5-25 p.m. to meet again at 12 of the clock the following day.

FIFTH DAY.

Wednesday, 15th June 1938.

The House reassembled at the Jagan Mohan Palace Pavilion on Wednesday, 15th June 1938, at 12 of the clock, Mr. President (*Amin-ul-Mulk* Sir Mirza M. Ismail, K.C.I.E., O.B.E., Dewan) in the Chair.

QUESTIONS AND ANSWERS—*contd.*

Planting of Bagani Trees by Village Panchayats.

Q.—33. **Messrs. B. P. BASAPPA SETTY,** Chikmagalur Taluk, and **K. MALLE GOWDA,** Mudgere Taluk.—

Will the Government be pleased to state:—

(*a*) whether they are aware of the fact that the bagani plantation work (planting of toddy trees) is going on under the Rural Reconstruction Scheme in Hariharpur Village (Koppa Taluk); if so, the number of trees to be planted;